

**RESOLUTION TO AMEND THE RATIFICATION OF THE 2009
HUD CFRC ENERGY EFFICIENCY GRANT AWARD**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners approve the attached Resolution to amend the Board's previous Resolution in November of 2009 (Resolution No. 2009-CHA-159), which ratified the acceptance of a HUD grant award for 23 CHA energy efficiency projects and authorized a corresponding increase in the CHA's FY2009 Comprehensive Budget. The recommended action would amend the 2009 ratification of the HUD grant award by reducing the award amount from \$22,240,736 to \$21,741,330, and would authorize the Acting Chief Executive Officer (CEO) or his designee to execute the revised Capital Fund Program Amendment to the Annual Contributions Contract C -1014 to memorialize the adjusted award.

BACKGROUND

In November 2009, the CHA Board of Commissioners ratified the acceptance of a Capital Fund Recovery Competition (CFRC) grant award from the U. S. Department of Housing and Urban Development. This award was for energy efficiency projects and related capital improvements at 23 CHA properties. The ratified award amount totaled \$22,240,736.

On September 23, 2009, the CHA received official notice from HUD of multiple grant awards under HUD's Energy Efficient, Green Communities initiative, which had to be promptly executed by CHA and returned to HUD. The 23 CHA efficiency projects at various CHA properties included one property that was inadvertently referenced in CHA's grant application by an inaccurate name and AMP designation. Each of the 23 properties were slated by CHA for energy efficiency capital improvements, but became eligible for funding under the American Recovery and Reinvestment Act of 2009 ("ARRA") as priority "shovel-ready" projects.

During the CFRC grant closeout process for the 23 energy efficiency projects the erroneous listing of the one property that was not accurately referenced in the CHA's grant application was discovered. Despite CHA's attempts to administratively correct the error in the grant application, the stringent requirements of ARRA compliance did not permit the correction, and HUD has required the adjustment of the grant award to recapture funds for the project that was incorrectly referenced.

The CFRC grant language does not allow for ARRA funding to be used at CHA properties other than the properties specified in the grant agreement. While the CHA did complete energy efficiency improvements at the intended 23 properties, only 22 of these properties were correctly included in the CFRC grant agreement. Therefore, the ratification of the grant award amount must be amended to reflect a reduction in this grant funding.

CORPORATE GOAL

The proposed ratification supports Plan Forward Goal #2: Ensure that CHA's housing portfolio is safe, decent and sustainable.

FUNDING: 2015 Capital funds

CONCLUSION

The Board action recommended in this item complies in all material respects with all applicable CHA Board policies and all applicable federal laws.

RESOLUTION NO. 2015-CHA-67

WHEREAS,

the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated August 12, 2015, entitled "RESOLUTION TO AMEND THE RATIFICATION OF THE 2009 HUD CFRC ENERGY EFFICIENCY GRANT AWARD", requesting authorization to approve the attached Resolution to amend the Board's prior 2009 ratification of a HUD CFRC grant award under Resolution No. 2009-CHA-159, by reducing the award amount from \$22,240,736 to \$21,741,330, and requesting the Board to authorize the Acting Chief Executive Officer (CEO) or his designee to execute the Capital Fund Program Amendment to the Annual Contributions Contract C -1014 to memorialize the adjusted award.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT,

the Board of Commissioners amends its prior authorization under Resolution No. 2009-CHA-159 by reducing the CFRC energy efficiency grant award amount from \$22,240,736 to \$21,741,330, and further authorizes the Acting Chief Executive Officer or his designee to execute a Capital Fund Program Amendment to the Annual Contributions Contract C -1014 to memorialize the adjusted CFRC energy efficiency grant award, and to provide HUD with recaptured funds for the CFRC energy efficiency grant in the amount of \$499,406.



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